



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

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***Memorandum***

TO: Administration Committee

DATE: April 2, 2014

FR: Deputy Executive Director, Policy

W. I. 1111

RE: Contract – Regional Economic Strategy Framework and Roadmap: Bay Area Council Economic Institute (\$192,500)

This memorandum requests the Committee's approval to enter into a sole source contract in the amount \$192,500 with the Bay Area Council Economic Institute (BACEI) to develop a regional economic strategy framework and roadmap.

**Background**

In 2012, at the request of the Joint Policy Committee (JPC) and in response to business community concerns that Plan Bay Area did not adequately address the third "E"- economy-MTC entered into a contract with BACEI to jointly fund an assessment of the region's business dynamics, business climate, economic competitiveness, workforce (with a specific focus on the workforce in lower and middle income communities), and current and emerging business and economic trends. The project was supported financially by the leadership of the Bay Area's business community, including both businesses and economic development organizations.

This effort coincided with the \$5 million grant awarded to the Bay Area through the Housing and Urban Development Department to develop a Bay Area Regional Prosperity Plan. This Plan, currently under development, will identify strategies to achieve a stronger regional economy for all Bay Area residents by better integrating jobs and housing planning, encouraging local innovation in support of new jobs and building stronger, more sustainable communities.

The final BACEI report, *The Bay Area: A Regional Economic Assessment*, was completed in October 2012. The report's findings and conclusions suggest the need for a more effective partnership between business and government related to strengthening the region's economy and a greater sense of shared purpose related to the region's future growth and development.

These findings are consistent with Plan Bay Area, which calls for improving the region's economic prosperity, first by considering the strategies recommended through the region's Bay Area Regional Prosperity Plan noted above, and second, by conducting additional research to identify job creation and career pathway strategies.

**Scope of Work**

To advance and build upon the 2012 work and in preparation for the update of Plan Bay Area in 2017, the proposed contract will engage the region's business leaders to 1) identify industries, combinations of industries and geographic areas of potential job growth for the region, 2) define proactive measures to support job growth opportunities, and 3) produce a flexible framework for

a regional job growth strategy that can be responsive to ongoing changes that affect the region's economy, including land use and transportation planning. Because these tasks are closely related to work already performed by BACEI, staff proposes a sole-source contract with BACEI.

The proposed project will be guided by a project steering committee, with an emphasis on private sector representatives, who will help shape the initial framing of the effort and guide the results of the process, including implementation. Proposed project tasks include:

- A review of best practices for regional economic strategy efforts from within the Bay Area, as well as outside of the region;
- Engagement with stakeholders, including business leaders with an understanding of the potential growth in their markets, job growth in the region and the broader set of factors related to the region's economic prosperity, as well as public and independent sector leaders with perspectives related to social equity, labor, the environment, and the unique geographies of the region;
- Creation of action teams and plans that will focus on 1) regional opportunities for achieving greater and widely-shared prosperity (i.e., generating new and quality jobs, improving regional competitiveness, etc.), 2) the requirements for leveraging opportunities, including specific policy measures that fall within the scope of responsibilities of the regional agencies, and 3) the prioritization of identified opportunities and requirements;
- Development of up to 5 white papers that further describe the action plans and role of teams/working groups;
- Development of a draft framework for a regional economic strategy implementation roadmap;
- Delivery of a regional economic strategy summit to present the draft roadmap, action plans and next steps; and
- Delivery and presentation of a final roadmap and economic strategy framework, including recommendations for the member agencies of the JPC to consider.

The proposed work scope is to be completed within a 16-month period to correspond with the schedule for the update of Plan Bay Area, providing well-timed engagement with the business community.

### **Recommendation**

Staff recommends that this Committee authorize the Executive Director or his designated representative to negotiate and enter into a sole source contract with the BACEI in an amount not to exceed \$192,500 to develop a regional economic strategy framework and roadmap.



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Ann Flemer

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**REQUEST FOR COMMITTEE APPROVAL**  
**Summary of Consultant Contract**

**Work Item No.:** 1111

**Consultant:** Bay Area Council Economic Institute, San Francisco, CA

**Purpose of Project/Brief Scope of Work:** Develop a regional economic strategy framework and roadmap for consideration in the next update of the region's Sustainable Communities Strategy by 1) identifying industries, combinations of industries, 2) defining proactive measures to support job growth opportunities, and 3) producing a flexible framework for a regional job growth strategy that can be responsive to ongoing changes that affect the region's economy.

**Project Cost Not to Exceed:** \$ 50,000 (FY 2013-14)  
\$ 142,500 (FY 2014-15)

**Funding Source:** General Fund

**Fiscal Impact:** \$50,000 is included in the FY 2013-14 Agency Budget; \$192,500 for FY 2014-15 is subject to Commission adoption of the agency budget.

**Motion by Committee:** That the Executive Director or his designee is authorized to negotiate and enter into a sole source contract with the Bay Area Council Economic Institute to develop a regional economic strategy framework and roadmap as described above and in the Executive Director's Memorandum dated April 2, 2014, and that the Chief Financial Officer is authorized to set aside funds from the FY 2013-14 (\$50,000) and FY 2014-15 (\$142,500) Agency Budget, subject to budget approval for FY 2014-15, for this purpose.

**Admin. Committee:** \_\_\_\_\_  
Adrienne Tissier, Chair

**Approved:** Date: April 9, 2014